

CONSENT 8/16

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INTEROFFICE MEMO

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**DATE:** 8/2/2004  
**TO:** THE BOARD OF SELECTMEN  
**CC:** DON JOHNSON & STEVE BARRETT  
**FROM:** JOHN MURRAY  
**RE:** INTERFUND BORROWING REQUEST

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Pursuant to MGL Chapter 44 Section 20A, the Treasurer with the concurrence of the Board of Selectmen may borrow from fund balance of one accounting fund to fund cash flow shortfalls in another accounting fund within the fiscal year. I have two such requests:

If necessary, to borrow from the fund balance of the NESWC Fund (est. balance of the NESWC fund at 6/30/04 is \$3,718,000) for the purposes set forth below

1. \$300,000 for the Douglas School – the actual borrowing will occur at the end of October. Originally the Schools stated they needed money to complete the repair in August.
2. A bond payment for the sewers of approximately \$446,000. Roland and Doug are working with Town Counsel to prepare a final betterment list for acceptance by the Sewer Commissioners. Final Betterments are scheduled to be presented to the Commissioners shortly.

# GENERAL LAWS OF MASSACHUSETTS

## PART PARTIZMV-RP. ADMINISTRATION OF THE GOVERNMENT

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### TITLE VII. CITIES, TOWNS AND DISTRICTS

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#### CHAPTER 44. MUNICIPAL FINANCE

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#### BONDS, NOTES AND CERTIFICATES OF INDEBTEDNESS

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#### Chapter 44: Section 20A Advances made in anticipation of proceeds

Section 20A. Cities, towns and districts that have duly authorized the issuance of serial bonds, notes or certificates of indebtedness may make expenditures for the purposes for which such serial bonds, notes or certificates of indebtedness were authorized from any available revenue funds in advance and in anticipation of such issuance. Cities, towns and districts that have been allotted a grant by the commonwealth or the federal government may make expenditures for the purposes of such grant from any available revenue funds in advance and in anticipation of receipt of reimbursements from such grant, to such maximum amount and subject to such limitations as may be provided in the rules, regulations and guidelines promulgated by the director. For purposes of this section, available revenue funds shall not include revenue cash the use of which is restricted to purposes other than current maintenance expenses. Such advances shall be made by the treasurer with the approval of the officer or officers authorized to issue the bonds or notes. Prior to making any such advance, the treasurer shall determine that the issuance of such serial bonds, notes or certificates of indebtedness has been duly authorized in accordance with law. Such cities, towns or districts shall reimburse the account or accounts from which the advance was made from the proceeds of bonds, notes, including notes in anticipation of the serial loan, or certificates of indebtedness issued during the fiscal year in which the advance was made. Advances made under authority of this section shall be subject to rules, regulations or guidelines promulgated by the director.

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